(d) The Government as a matter of policy is committed to ensuring steady flow of institutional credit for this segment of khadi and village industry. The implementation of the scheme is monitored periodically at various levels in order to further smoothen the flow of credit to them. KVIC also regularly interacts with banks in order to overcome various issues involved in the funding under ISEC Scheme. A meeting has been held on September 29, 2008 by Secretary to the Government of India (Ministry of Micro, Small and Medium Enterprises) with the officials concerned of the Reserve Bank of India and KVIC to further improve the implementation of the ISEC Scheme.

Plan to upgrade SMEs

884. MS. MABEL REBELLO:

SHRI B.J. PANDA:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether his Ministry has drawn up an ambitious plan to upgrade SMEs with the help of foreign designers; and

(b) if so, the details thereof *interalia* indicating those which are proposed to be upgraded in Orissa and Jharkhand States to improve the economy of these regions?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHAVIR PRASAD): (a) and (b) Ministry of MSME has drawn up a National Manufacturing Competitiveness Programme to upgrade small and medium enterprises (SMEs) through various interventions, one of which will concentrate on improving designs. Specificities of the proposed scheme will be worked out once a Detailed Project Report (DPR) is finalized.

Failure of ISEC Scheme

885. DR. K. MALAISAMY: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) who is mainly responsible for the failure of Interest Subsidy Eligibility Certificate (ISEC) Scheme, concerned bank or KVIC;

(b) whether there is an evaluation study on this and if so, what are their findings;

(c) whether the recommendations been implemented and if not, the reasons therefor; and

(d) at what time there could be a steady credit flow from the banks to the implementing agencies of KVIC?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHAVIR PRASAD): (a) The Interest Subsidy Eligibility Certificate (ISEC) Scheme, implemented by the Khadi and Village Industries Commission (KVIC), has not been a failure as loans have been provided by the Banks to the khadi and village industry (KVI) institutions implementing khadi and polyvastra programme, after taking into account the assessment certificates issued by KVIC. During 2007-08, loans estimated at Rs. 227.62 crore have been provided by the Banks under the ISEC Scheme.

(b) and (c) An evaluation study of the ISEC Scheme has been got conducted by KVIC through an independent professional agency, which has submitted its final report during the second quarter of 2008-09. The main findings of evaluation study of the scheme include:–